


# ALERT! ALERT! ALERT!

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## ALERT #106

TO: Department Controllers, Fiscal Officers and Other Interested Parties

FROM: Clifford W. Hall   
State Controller

DATE: November 12, 1997

SUBJECT: *Clarification of High Cost Travel Area Reimbursement  
Charges Appropriate For Capital Construction Projects  
Revenue Tracking Table Open for Input  
Contract Approval Process Improvement*

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### Clarification of High Rate Travel Reimbursement

The SCO has received several inquiries regarding the interpretation of State Fiscal Rule 5-1 and the maximum allowable meal per diem rates for high cost travel areas. An employee is eligible for the applicable high cost per diem rate if that employee is either staying in the "key city" or is within the "county or other location" listed in the Rule (see notes at the end of Appendix A).

For example, a maximum per diem allowance of \$42 is available to an employee staying in Breckenridge, Colorado. While Breckenridge is not listed as a key city, it is located in Summit County, a county specified in the Rule, and therefore is eligible for a high cost per diem rate.

If you have any questions regarding high cost travel area reimbursement rates, please contact your field controller.

### Charges Appropriate For Capital Construction Projects

The following list of object codes are appropriate for state agencies and institutions to use for planning and charging state appropriated capital construction and controlled maintenance projects. These object codes are in conformance with the statutory definition of capital construction included in CRS 24-30-1301. Further, use of these object codes will ensure consistency among state agencies and institutions in charging capital construction projects. This list of object codes should cover the majority of transactions state agencies and institutions will normally need to record expenditures of capital construction projects. In limited instances other object codes may be appropriate for use by state agencies and institutions. However, an explanation may be required if other object codes are used.

Each set of object codes is followed by a general description of their use for capital construction purposes.



1910 PURCHASED SERVICES - PERSONAL SERVICES  
1920 PURCHASED SERVICES - PROFESSIONAL  
1930 PURCHASED SERVICE - TECHNICAL

As a general rule, object codes 19XX are to be used to record expenditures of independent consulting contractors (Part 14 of Article 30 Title 24, CRS).

2210 OTHER MAINTENANCE/REPAIR SVCS  
2220 BLDG MAINTENANCE/REPAIR SVCS  
2230 EQUIP MAINTENANCE REPAIR SVCS  
3126 REPAIR & MAINTENANCE SUPPLIES

Object codes 22xx and 3126 are generally used for state controlled maintenance projects.

2310 OTHER CONSTRUCTION SVCS  
2311 CONSTRUCTION CONTRACTOR SVCS  
2312 CONSTRUCTION CONSULTANT SVCS

Object codes 23xx are used for general contractor construction services.

2253 RENTAL OF EQUIPMENT  
2610 ADVERTISING  
2810 FREIGHT  
2820 OTHER PURCHASED SERVICES  
3128 NONCAPITALIZED EQUIPMENT  
4200 PURCHASE DISCOUNTS

These object codes are self explanatory and should be used as appropriate. Object code 2610 should be used for advertising related to the project (e.g., bid awards, end-of-project notifications). Rental of equipment is related to the rental of construction equipment required to complete a project.

61xx CAPITAL PROPERTY - DIRECT PURCH  
62xx PERSONAL PROPERTY - DIRECT PURCH  
63xx CAPITAL PROPERTY-LEASE PURCHASE

Object codes 61xx and 62xx are used for the direct purchase of capital equipment. Object codes 63xx should only be used for projects that have been approved for lease purchases.

The following types of expenditures are not appropriate and should not be charged to a capital construction/controlled maintenance project:

- ♦ Personal Services
  - Classified Civil Service Employees
  - Exempt Contract Employees
- ♦ All administrative expenditures including but not limited to:
  - Travel
  - Postage
  - Telephone and fax
  - Printing and reproduction

These expenditures should be charged to the state agency or institution's annual operating budget. In addition, state agencies and institutions should refer to OSPB's Information Technology Policy for additional requirements related to Information Technology projects. If you have any questions on the appropriateness of an expenditure please refer to the State Controller's External Policy Memorandum 1-97 or contact your OSPB analyst or SCO field controller.

#### Revenue Tracking Table Open for Input

The revenue tracking table (RTRK) is open for input until Friday, November 28, 1997. If you have estimates that have not yet been entered or want to amend existing estimates, please do so before November 28, 1997. If you have any questions about this requirement, please contact your field controller. If you have a technical question about how to enter data into the RTRK table, please contact the COFRS helpline.

#### Contract Approval Process Improvement

Yvonne Anderson, who is responsible for the statutory review of all state contracts and purchase orders for the State Personnel Director, has relocated from the Executive Director's Office to the State Controller's Office effective November 1, 1997.

This move was designed to provide better customer service for those state contracts and purchase orders that involve procuring personal services as it furthers the concept of one-stop shopping. Policy decisions concerning this statutory review (CRS 24-50-501) will continue to be made by Yvonne Anderson and the State Personnel Director.

Yvonne's telephone number remains the same, 303/866-2862. Her new fax number is 303/866-4233, and her new mailing address is the same as the State Controller's Office: 1525 Sherman St., #250 Denver, Colorado 80203.